

By: Bettencourt

S.B. No. 642

A BILL TO BE ENTITLED

AN ACT

relating to required disclosures in and to the length of ballot proposition language authorizing political subdivisions to issue bonds or impose or change a tax.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 52.072, Election Code, is amended by amending Subsection (e) and adding Subsection (f) to read as follows:

(e) In addition to any other requirement imposed by law for a proposition, including a provision prescribing the proposition language, a proposition in an election of a political subdivision, including a city, county, school district, or special taxing district, submitted to the voters for approval of ~~[the issuance of bonds or]~~ the imposition, increase, or reduction of a tax shall specifically state, as applicable:

(1) ~~[with respect to a proposition seeking voter approval of the issuance of bonds:]~~

~~[(A) the total principal amount of the bonds to be authorized, if approved, and~~

~~[(B) a general description of the purposes for which the bonds are to be authorized, if approved,~~

~~[(2)]~~ with respect to a proposition that only seeks voter approval of the imposition or increase of a tax:

(A) ~~[7]~~ the amount of or maximum tax rate of the

1 tax or tax increase for which approval is sought;

2 (B) the estimated additional tax burden that
3 would be imposed on a homestead with a value equal to the median
4 homestead value in the political subdivision, as computed by the
5 appraisal district, after the imposition or increase of the tax, if
6 approved; and

7 (C) a detailed description of the purposes for
8 which the tax is to be imposed or increased, if approved; or

9 (2) [~~3~~] with respect to a proposition that only
10 seeks voter approval of the reduction of a tax;

11 (A) [~~7~~] the amount of tax rate reduction or the
12 tax rate for which approval is sought; and

13 (B) the estimated tax reduction for a homestead
14 with a value equal to the median homestead value in the political
15 subdivision, as computed by the appraisal district, if the
16 reduction of the tax is approved.

17 (f) A proposition to which Subsection (e) applies or for
18 approval of the issuance of bonds may not exceed:

19 (1) 5,000 characters; or

20 (2) a different limit prescribed by the secretary of
21 state that ensures that the length of the proposition does not
22 exceed one page of the ballot or one screen on an electronic voting
23 machine.

24 SECTION 2. Chapter 1251, Government Code, is amended by
25 designating Sections 1251.001, 1251.002, 1251.003, 1251.004,
26 1251.005, and 1251.006 as Subchapter A and adding a subchapter
27 heading to read as follows:

1 SUBCHAPTER A. PROVISIONS RELATING GENERALLY TO BOND ELECTIONS

2 SECTION 3. Chapter 1251, Government Code, is amended by
3 adding Subchapter B to read as follows:

4 SUBCHAPTER B. BALLOT PROPOSITION FOR BONDS ISSUED BY POLITICAL
5 SUBDIVISION

6 Sec. 1251.051. APPLICABILITY. This subchapter applies to
7 bonds issued by any political subdivision, including a
8 municipality, county, school district, or special taxing district.

9 Sec. 1251.052. FORM. A proposition seeking voter approval
10 of the issuance of bonds shall specifically state:

11 (1) a general description of the purposes for which
12 the bonds are to be authorized;

13 (2) the total principal amount of the bonds;

14 (3) the total amount of the political subdivision's
15 debt secured by ad valorem taxes currently outstanding;

16 (4) the total amount of the political subdivision's
17 current payments on debt secured by ad valorem taxes;

18 (5) the amount of taxes required to be imposed on a
19 homestead with a value equal to the median homestead value in the
20 political subdivision, as computed by the appraisal district, to
21 repay the political subdivision's current debt obligations secured
22 by ad valorem taxes; and

23 (6) the estimated tax burden that would be imposed on a
24 homestead with a value equal to the median homestead value in the
25 political subdivision, as computed by the appraisal district, to
26 repay the bonds to be authorized, if approved.

27 SECTION 4. The changes in law made by this Act apply only to

1 a ballot for an election ordered on or after the effective date of
2 this Act. An election ordered before the effective date of this Act
3 is governed by the law in effect when the election was ordered, and
4 the former law is continued in effect for that purpose.

5 SECTION 5. This Act takes effect September 1, 2017.